



# Celebrating 100 Years

March 5, 2012

Thank you for your membership in and work with NAEGA.

### Member Action Items:

NEW Container and Canada Task Forces formed - participation open to NAEGA Members, Chinese Grain Law Draft & Feed Regulations, NAEGA Membership Dues

### NAEGA Action Items:

NAEGA-NGFA Comments to APHIS on Deregulation of MON 88769 Soybean; Press Release on Dennis Stephens Receiving the Amstutz Award

### Related News:

U.S. Establishes Interagency Trade Enforcement Center; OFAC Amends Iranian Financial Sanctions Regulations Reflect Recent Actions; and USAID Developing Guidance on Environmental Management and Sustainability

### Calendar and Website:

Upcoming events an Issue Tracking

### **MEMBER ACTION ITEMS:**

**Container logistics and Canada grain marketing:** Member personnel are invited to join new industry efforts established at the NAEGA Board of Director's Meeting on February 23, 2012 that are intended to:

1. Identify and address changes in the procedures and policies related to shipment of grains and oilseeds with containers; and
2. Review the impact of Canada's changes in regulation of grain marketing including the Marketing Freedom for Grain Farmers Act and to make recommendations for industry actions to support a successful transition as well as long term successful commercial market environment resulting from those changes.

The two approved briefing memos proposing the task forces have been posted to the [Board of Director's Website](#) and Issue Tracking for each has been set up at the [NAEGA Personal Page's website](#). Please let us know if you would like to be included in the work of these new task forces.

**Chinese Grain Law Draft & Feed Regulations** – NAEGA is seeking member input on two proposed laws from the People’s Republic of China:

1. A new Grain Law draft issued by China’s National Development and Reform Commission and the State Administration of Grain. The draft includes stipulations concerning the market deployment of grain resources and the safeguarding of grain production, circulation and quality. China has posted the draft for public comment and NAEGA is considering a response. The draft Grain Law has been posted under “China” to both the [Grades & Inspections](#) and [Biotech Committee Websites](#).
2. New Chinese regulations for feed components issued by China’s General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ). The regulations have been posted to the [NAEGA Grades & Inspections Committee Website “China” section](#) and are under review by the committee and NAEGA staff.

Issue tracking for both the Grain Law and Feed Regulations has been set up at the [NAEGA Personal Pages site](#). If you have any comments on these proposed laws and regulations, or suggestions on how NAEGA should respond, please contact the NAEGA office.

**NAEGA Membership Dues** – Payments for NAEGA’s 2012 Membership Dues were due on February 1. If you have not yet submitted your payment, prompt action is appreciated. Thank you to all NAEGA members who have already submitted their payments. If you have any questions, please contact the NAEGA office.

#### **NAEGA Action Items:**

**NAEGA-NGFA Comments to APHIS on Deregulating MON 88769 Soybeans** - NAEGA and the National Grain & Feed Association (NGFA) have submitted comments to USDA’s Animal and Plant Health Inspection Service (APHIS) on the Monsanto Petition for nonregulated status of its enhanced soybean event (MON 87769) that has been genetically engineered to produce high levels of stearidonic acid, an omega-3 fatty acid not found in conventional soybeans.

The comments note NAEGA and NGFA support the voluntary restriction of commercialization of biotech events under corporate stewardship plans until such time as the technology provider has obtained sufficient authorizations from foreign governments with functioning, predictable systems for approving biotech-enhanced events in U.S. export markets to avoid causing significant market disruptions. Monsanto intends to commercialize, under controlled conditions of a closed-loop supply chain, prior to obtaining such authorizations from competent authorities of foreign governments in important U.S. export markets. NAEGA and NGFA believe that information and details on the closed-loop supply chain system should be made publicly available to stakeholders in the value chain so that they may assess the impact of this product and the sufficiency of Monsanto’s closed-loop risk-management plan.

Monsanto has accepted responsibility and liability for overall risk management for MON 87769 soybeans in the supply chain only for a limited time period, prior to major international market approvals, and not through the product’s entire life cycle. NGFA and NAEGA do not believe the oilseed handling, marketing and processing sector should be expected to shoulder the market risks and financial costs associated with a failure of a closed-loop system to control PUF events

adequately, as well as the costs of testing programs at origin and/or product rejection at destination in either export or domestic markets at any time during the product's entire lifecycle.

The comments conclude that NAEGA and NGFA cannot support deregulation of MON 87769 until Monsanto provides written assurances to value-chain stakeholders and as part of the public record of this proceeding that it will commit to implementing its closed-loop system and accept such commercial responsibility for supply chain disruptions throughout the lifecycle of the event. The full text of the comments can be found on the [NAEGA Public Website under "Current News"](#).

**Press Release on Dennis Stephens Receiving the Amstutz Award** – NAEGA issued a Press Release this week, announcing that Dennis Stephens of the was honored with NAEGA's highest award during the recent Centennial Celebration. The press release notes that Amstutz Award is only given for exceptional accomplishment and distinguished leadership in free trade and promotion of agriculture. The full text of the release can be found on the [NAEGA Public Website under "Current News"](#).

#### **RELATED NEWS:**

**U.S. Establishes Interagency Trade Enforcement Center** –U.S. President Barack Obama has issued an Executive Order (EO) establishing an Interagency Trade Enforcement Center (ITEC) to "advance U.S. foreign policy and protect the national and economic security of the United States through strengthened and coordinated enforcement of U.S. trade rights under international trade agreements and enforcement of domestic trade laws"

According to the EO, the ITEC will:

- Serve as the primary forum within the Federal Government for USTR and other agencies to coordinate enforcement of U.S. trade rights under international trade agreements and enforcement of domestic trade laws;
- Coordinate among USTR, other agencies with trade related responsibilities, and the U.S. Intelligence Community the exchange of information related to potential violations of international trade agreements by our foreign trade partners; and
- Conduct outreach to U.S. workers, businesses, and other interested persons to foster greater participation in the identification and reduction or elimination of foreign trade barriers and unfair foreign trade practices.

The Center will exist within the Office of the U.S. Trade Representative (USTR) and will coordinate with a number of other departments and agencies, including the Departments of State, Treasury, Commerce, and the Office of the Director of National Intelligence. More details on the EO and the ITEC [please click here](#).

**OFAC Amends Iranian Financial Sanctions Regulations Reflect Recent Actions** – The Treasury Department's Office of Foreign Assets Control (OFAC) has issued a final rule that amends the Iranian Financial Sanctions Regulations and reissues them in their entirety to implement a recent Executive Order providing for the imposition of sanctions with respect to the Central Bank of Iran (CBI) and designated Iranian financial institutions. Under the new rule, privately-owned foreign financial institutions that knowingly conduct or facilitate any significant financial transaction with the CBI other than for the purchase of petroleum or petroleum products

from Iran face U.S. sanctions, consistent with subsection 1245(d) of the NDAA. Sanctions will not be imposed under the NDAA on any foreign financial institution for conducting or facilitating a transaction for the sale of food, medicine, or medical devices to Iran.

This rule also implements a section of Executive Order 13553 of Sept. 28, 2010, to clarify that OFAC may exercise the same International Emergency Economic Powers Act (IEEPA) authorities that are used in its other IEEPA-based sanctions programs (in addition to authorities under section 104 of the Comprehensive Iran Sanctions, Accountability and Divestment Act of 2010) to investigate, regulate or prohibit transactions under these regulations. The rule makes several other substantive and technical changes as well. OFAC has published a fact sheet on the new rules that [can be found here](#).

**USAID Developing Guidance on Environmental Management and Sustainability** – The U.S. Agency for International Development (USAID) Global Environmental Management Support (GEMS) contract is developing guidance and training materials to assist Food for Peace awardees in incorporating environmental management and social sustainability targets and indicators into program design, management, and evaluation as well as how to appropriately budget for environmental mitigation and monitoring. This will be a consultative process, and selected stakeholders may be contacted by GEMS staff to inform the development of the guidance.

GEMS staff will be asking questions regarding:

1. Incorporation of environmental and social sustainability indicators and considerations into Development Food Aid Program design, monitoring and evaluation (DM&E) systems, and;
2. Budgeting for environmental mitigation and monitoring actions that respond to IEE conditions.

In addition to the operational guidance to be developed, the GEMS team will produce related training materials, tools and exercises, seeking to facilitate behavior and organizational change and increased adoption of these green processes into the design and implementation of development food aid programs worldwide.

The GEMS team will distribute a short questionnaire to selected stakeholders, to gather input on challenges and lessons learned related to current environmental monitoring & valuation and budgeting processes. The GEMS team will also carry out short in-country visits to selected countries to incorporate field level input on these critical topics. This process will take place over a 60 day period, ending in April 30. More details on the GEMS program and this project is available on [USAID's Bureau for Democracy, Conflict & Humanitarian Assistance web site](#).

## **CALENDAR & WEBSITE**

### **Official Comments Calendar**

#### **April**

**9** – Comments due to U.S Customs and Border Patrol on the proposed extension without change of the following information collections: Country of Origin Marking Requirements for Containers or Holders ([Click here](#)) and CBP Form 300, Bonded Warehouse Proprietor's Submission ([Click here](#))

27 - Comments due to USDA/APHIS on the Dow AgroScience Petition for nonregulated status of GMO corn DAS-40278-9, genetically engineered for resistance to broadleaf herbicides:  
<http://www.gpo.gov/fdsys/pkg/FR-2011-12-27/pdf/2011-33009.pdf>

### **Activities Calendar**

#### **March**

8-9 – Buenos Aires, Argentina – Inter-American Institute for Cooperation on Agriculture (IICA) Western Hemispheric Workshop on Low Level Presence – Gary Martin Attending

18-20 – Charleston, SC – NGFA 2012 Convention

21-23 – Vancouver, BC, Canada – International Event on Low Level Presence hosted by Agriculture and Agri-Food Canada, Gary Martin attending and Presenting

29-31 – Brighton, England – Dry Bulk Terminal Group Meetings. Jerry Cotter attending for NAEGA

#### **April**

10 – New Orleans, LA - 4th Annual Port of New Orleans Critical Commodities Conference – Gary Martin attending and Presenting

#### **May**

7-8 – Istanbul, Turkey – U.S. Industry Seminar on International Grain Trade Issues for the Iraq Ministry of Trade

7-9 – Kansas City, Missouri – 2012 International Food Aid & Development Conference

#### **June**

7 – London, United Kingdom – 2012 International Grains Council Grains Conference – [www.igc.int](http://www.igc.int)

27-29 – Bogota, Colombia – 2012 US Wheat Associates Latin American Buyers Conference

#### **October**

1-5 – Hyderabad, India – COP/MOP 6 to the Cartagena Protocol on Biosafety

4-12 – Edinburgh, Scotland, United Kingdom - 52nd European Commodities Exchange  
<http://www.ece-edinburgh2012.com/>

**NAEGA, Issue Tracking** – NAEGA has updated the NAEGA Personal Pages website to include the new Issue Tracking system, which will improve the way NAEGA communicates to members regarding progress on issues.

NAEGA Issues & Decision Memos have been added to the site under the section currently titled “Events”. The events section will be retitled to “Current Issues”, and each Issue has its own page, containing background information on the issue and updates on current progress on the issue. The Issue Pages can be updated by Board, Committee and other persons who have been

granted access to add information. New issues will be posted as NAEGA begins work on them. The issues will be sorted by the most recent updates, and the Personal Pages site can be searched by subject. All persons who have set up a Personal Page can access this information.

If you have not yet registered for the Personal Pages, or have forgotten your log in information, please contact Patrick Hayden at [phayden@naega.org](mailto:phayden@naega.org). He will set up your account or reset your log in information and send you a temporary password. You can find a user's guide for the [Personal Pages here](#).

Thank you for your membership and work with NAEGA.

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